GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:517
ANSWERED ON:04.12.2003
IOCL AGREEMENT WITH BRITISH PETROLEUM
TUFANI SAROJ

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Indian Oil Corporation Limited has signed any agreement with British Petroleum to purchase oil from Syria;

(b) if so, the details of the said agreement;

(c) whether Indian Oil Corporation Limited has also signed an agreement with some private firm of Brunei to purchase oil;

(d) if so, the details thereof;

(e) whether Indian Oil Corporation Limited shall have to spent excess amount on thepurchase of oil from the said two private companies; and

(f) if so, the reasons for purchasing oil from private oil companies in place of Government companies?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRIMATI SUMITRA MAHAJAN)

(a) to (b): Indian Oil Corporation Limited (IOCL) has not signed any agreement withBritish Petroleum for purchase of Crude Oil during 2003-04.

IOCL has entered into an agreement for purchase of 0.25 MMT of Seria light crude oil for the period July to December, 2003 at official selling price with M/s. Brunei Shell PetroleumCompany (BSP) which is 50:50 joint venture (JV) between Government of Brunei and Royal Dutch/Shell. The official selling price of Seria light crude oil is approved by the Government of Brunei ona month to month basis which is uniformly applicable to all the consumers. Hence, there is no excess amount spent for purchase of crude oil from BSP. Further, in case of Brunei, BSP is theonly authorized entity to sell Seria light crude oil and the same is not being sold by the Government of Brunei.